



PERSONAL  
INSOLVENCY  
PRACTITIONERS  
INFORMATION



**THIS DOCUMENT IS IN DRAFT FORM AND IS PUBLISHED  
BY THE INSOLVENCY SERVICE OF IRELAND TO INDICATE  
THE NATURE OF THE REGULATIONS THAT MAY APPLY TO  
PERSONAL INSOLVENCY PRACTITIONERS IN  
ACCORDANCE WITH SECTION 173 / SECTION 161 OF THE  
PERSONAL INSOLVENCY ACT 2012. THIS DOCUMENT  
REMAINS SUBJECT TO REVIEW, CHANGE AND  
FINALISATION BY THE INSOLVENCY SERVICE OF IRELAND  
IN ACCORDANCE WITH THE REQUIREMENTS OF THE  
PERSONAL INSOLVENCY ACT 2012 AND SHOULD NOT BE  
RELIED UPON BY ANY PERSON IN ITS CURRENT DRAFT**

## WHO CAN BECOME A PERSONAL INSOLVENCY PRACTITIONER?

An individual may make an application to carry on practice as a personal insolvency practitioner if that individual:

- is a solicitor in respect of whom a practising certificate (within the meaning of the Solicitors Acts 1954 to 2011) is in force; or
- is a barrister at law called to the Bar of Ireland;
- is a qualified accountant and a member of a prescribed accountancy body (within the meaning of section 4 of the Companies (Auditing and Accounting) Act 2003; or
- is a qualified financial advisor who holds a current qualification from the Life Insurance Association of Ireland (LIA), the Insurance Institute or the Institute of Bankers School of Professional Finance; or
- holds a qualification in law, business, finance or other appropriate similar qualification to the satisfaction of the Insolvency Service recognised to at least level 7 of the National Qualifications Framework by Quality and Qualifications Ireland (or equivalent)

AND

can demonstrate to the satisfaction of the Insolvency Service that he or she has relevant knowledge and experience of and has completed a course of study and passed an examination on the law and practice generally as it applies in the State relating to the insolvency of individuals; and the Act.

If you are a member of a professional body, you should contact that body to ascertain whether they are providing a course which satisfies the requirements of the Insolvency Service.

The Insolvency Service is aware that there may be other educational providers who are currently developing training courses with the aim of satisfying the requirements of becoming a practitioner. If you are not a member of a professional body you may be able to avail of one of these training courses.

## WHAT ARE THE NECESSARY SKILLSETS OF A PERSONAL INSOLVENCY PRACTITIONER?

A practitioner will be dealing with people in vulnerable situations. They will also be expected to engage and negotiate with creditors effectively, make reasonable proposals on behalf of debtors, and manage creditors meetings. As such, they will be expected to have the necessary people, communication, judgement and negotiation skills, in addition to their qualifications.

It will be an integral part of the process that practitioners are both honest and independent in their approach in reaching debt solutions.

## WHAT OTHER CRITERIA DO YOU NEED TO MEET TO BECOME A PERSONAL INSOLVENCY PRACTITIONER?

Before an individual will be allowed to carry on the practice of a personal insolvency practitioner, the individual must satisfy the Insolvency Service that he or she:

- has adequate organisational capability and resources to carry on the practice of a personal insolvency practitioner under the Act;
- holds, or will hold before commencing to carry on practice as a personal insolvency practitioner, a policy of professional indemnity insurance.
- has submitted a completed application, together with supporting information, documentation and mandates as the Insolvency Service has requested; and
- is tax compliant.

Practitioners will be expected to meet a number of other standards, including fitness and probity.

## WHAT STEPS ARE INVOLVED IN THE APPLICATION PROCESS TO BECOME A PERSONAL INSOLVENCY PRACTITIONER?

When an individual makes an application to become a practitioner they will be asked to complete an application form that will be submitted in electronic format. The aim of the application form is to capture relevant information in relation to the individual such as, their personal details, fitness and probity, compliance with professional requirements, general business information, staffing and financial information.

The application form should be supported by the following documentation:

- A statutory declaration from the applicant, stating that they have answered all the questions truthfully, and that they are aware that it may be an offense to provide false or misleading information. The applicant must also undertake to notify the Insolvency Service of details of any changes in the information provided.
- A copy of their current tax clearance certificate Evidence that professional indemnity insurance will be available upon authorisation.
- Qualification certificates (solicitors practising certificate, Qualified Financial Adviser Diploma etc)
- Accountants report (This is a statement from a qualified accountant. The accountant must state that they have reviewed the financial systems and controls of the prospective practitioner, and that they believe these are appropriate for the protection of monies received from debtors should they be authorised to carry on practice as a personal insolvency practitioner under the Personal Insolvency Act 2012)

The applicant must also show that they have satisfactorily completed a course - from a relevant professional educational body – on personal insolvency and practice in the State.

Currently, you will be permitted to make an application to become a practitioner while you apply for, and await receipt of, your completed accountants report, your professional indemnity insurance and confirmation of completion of a relevant course, all of which must be submitted to the Insolvency Service prior to receiving final authorisation. There will be no fee charged until these documents are received. This is an interim measure, and is subject to review by the Insolvency Service.

#### **WHEN CAN APPLICATIONS BE MADE?**

It is expected that the Insolvency Service will be in a position to accept applications during May 2013.

It is then expected that, once an applicant's paperwork is in order, the Insolvency Service will be in a position to begin issuing licenses within a matter of weeks.

## WHAT ARE THE FEES ASSOCIATED WITH BECOMING A PERSONAL INSOLVENCY PRACTITIONER?

Application fee	<b>€1,500**</b>
Annual Renewal fee	<b>€1,000</b>

\*\* This is a non-refundable fee, payable once you submit all your documents.

## WHAT IS THE TERM OF THE AUTHORISATION OF A PERSONAL INSOLVENCY PRACTITIONER?

The Personal Insolvency Act 2012 currently provides for an authorisation term of 12 months for a personal insolvency practitioner.

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### PROFESSIONAL INDEMNITY INSURANCE

A personal insolvency practitioner shall have in place a policy of professional indemnity insurance covering his or her practice as a personal insolvency practitioner.

The amount insured for each claim shall not be less than €1 million and a minimum of €1.5 million in aggregate.

The practitioner must hold this policy on a continuing basis for the duration of their authorisation as a practitioner.

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### ADVERTISING AND MARKETING

A personal insolvency practitioner shall seek to ensure that all advertising and marketing communications with respect to his or her practice:

- are legal, honest and truthful;
- are prepared with a sense of responsibility to debtors and potential debtors, creditors and wider society; and
- conform to the principles of fair competition.

There will also be particular requirements in relation to testimonials, claims as to levels of debt relief available, and making unsolicited personal contact.

## SUPERVISION

The aim of the supervision process is to protect the integrity of the role of the practitioner and to ensure that the service delivered to debtors and creditors is to a high standard, and in compliance with the legislation. This will be achieved by ongoing supervision, but the Insolvency Service will also monitor areas such as complaints and advertising.

These statements and report shall be submitted to the Insolvency Service on request.

- analysis and assessment of returns and information supplied by a personal insolvency practitioner to the Insolvency Service;
- on-site visits by inspectors appointed by the Insolvency Service to the offices of the personal insolvency practitioner;
- assessment of publicly available information about the personal insolvency practitioner; or
- a combination of the above.

In cases of possible non-compliance, the Insolvency Service may carry out an enquiry or appoint investigators under the Personal Insolvency Act 2012. The Insolvency Service may also seek suspension, revocation of the authorisation of the personal insolvency practitioner or other measures which may be necessary in accordance with the Personal Insolvency Act 2012.

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